

VZCZCXRO2187
RR RUEHCN RUEHGH
DE RUEHGH #0476/01 3090201
ZNY CCCCC ZZH
R 040201Z NOV 08
FM AMCONSUL SHANGHAI
TO RUEHC/SECSTATE WASHDC 7294
INFO RUEHBJ/AMEMBASSY BEIJING 2245
RUEHCN/AMCONSUL CHENGDU 1510
RUEHSH/AMCONSUL SHENYANG 1502
RUEHGZ/AMCONSUL GUANGZHOU 1481
RUEHHK/AMCONSUL HONG KONG 1669
RUEHIN/AIT TAIPEI 1303
RUEHIL/AMEMBASSY ISLAMABAD 0020
RHEHAAA/NSC WASHINGTON DC
RUEHGH/AMCONSUL SHANGHAI 7892

C O N F I D E N T I A L SECTION 01 OF 02 SHANGHAI 000476

SIPDIS

STATE FOR EAP/CM
NSC FOR LOI

E.O. 12958: DECL: 11/4/2033

TAGS: [PGOV](#) [PREL](#) [PINR](#) [PTER](#) [XF](#) [PK](#) [CH](#)

SUBJECT: (C) YIWU'S MUSLIM COMMUNITY: POSSIBLE TRANSIT POINT FOR XINJIANG SEPARATISTS?

CLASSIFIED BY: Christopher Beede, Pol/Econ Chief, U.S. Consulate Shanghai, U.S. Department of State.
REASON: 1.4 (b), (d)

¶1. (C) Summary: The Muslim community in Yiwu, a key trading center in East China's Zhejiang Province, is thriving on the back of China's growing trade with South Asia and the Middle East. In an effort to attract Muslim businesspeople to the city, local government officials have set up Muslim schools and a mosque (with an additional one scheduled to be built in 2009) with no apparent restrictions on Muslims' practice of religion or other activities, according to Muslim interlocutors. There were some visa restrictions in the period prior to and during the Olympics, however, though these restrictions have now been relaxed. A Shanghai academic who researches terrorism believes the Chinese authorities are concerned about Yiwu being used as a transit point for Uighur separatists of the East Turkestan Islamic Movement traveling from the Middle East to Xinjiang Province. This is the first in a series of reports on Muslim communities in East China. End summary.

Yiwu's Muslims

¶2. (SBU) Yiwu is a cosmopolitan city located in the interior of Zhejiang Province about 300km southwest of Shanghai. According to Yiwu Government officials, there are more than 10,000 foreign residents out of a total permanent local population of 700,000 (there are an additional one million migrant workers). Of the foreign population, the vast majority are Muslims from the Middle East and South Asia, particularly Pakistan, Saudi Arabia, Iraq, Afghanistan, and Iran. Vice Consul Mahmood Akhtar Mahmood of the Pakistani Consulate in Shanghai estimates there are 1000 Pakistanis living in Yiwu, making it one of the largest Pakistani communities in China. (Note: Mahmood proudly noted that several Pakistani "pioneers" laid the foundations of Yiwu's rise as a global trading hub when they set up business there about 15-20 years ago. End note.) Most of the foreigners in Yiwu arrived within the past decade and now run trading companies or restaurants, according to Mahmood. In addition to its permanent foreign residents, Yiwu sees thousands of foreign visitors every day, mostly traders from South Asia, the Middle East, and Africa visiting the city's massive commodities markets, said Yiwu Vice Mayor Li Xuhang.

¶3. (C) Yiwu boasts a large mosque where "thousands" of Muslims of various nationalities gather for prayer every Friday, according to the mosque's Chinese-Muslim administrator who is

originally from Qinghai Province. He said he has never witnessed any divisions along national or sectarian lines within the mosque or in the city. He added that the mosque is administered by the local government, and the imam is from Xinjiang Province. Mahmood of the Pakistani Consulate noted plans by the local government to construct another mosque in Yiwu in 2009, attesting to the growing Muslim population in the city.

14. (SBU) Several parts of the city are teeming with Middle Eastern stores and restaurants. Poloff observed these areas bustling with activity, especially at night, with groups of Middle Eastern men eating at Arabic, Iraqi, Iranian, and Pakistani restaurants or sitting around in small groups smoking pipes and chatting. Along the sidewalk were many young males ostensibly from Xinjiang or other western provinces of China cooking and selling meat. The few women out at night in these areas appeared to be of Chinese ethnicity but were likely Muslim, as they wore scarves to cover their heads. Poloff saw no obvious Chinese public security officials in these areas.

More Comfortable Than Malaysia

15. (SBU) Poloff spoke with several foreign businesspeople in Yiwu, one of whom was an Iraqi restaurant owner who had moved to Yiwu three years ago from Baghdad. The restaurant was packed with customers, mostly Iraqi men with Chinese women, even during non-peak hours. The owner said he himself has a wife and child in Iraq, but many foreigners end up marrying local Chinese women. He said life is "very good" in Yiwu. Though he claimed not to speak any Chinese (he spoke fairly good English), he said he is comfortable there because of the large support network

SHANGHAI 00000476 002 OF 002

within the foreign community. "The Iraqis hang out with the Iraqis, the Saudis hang out with the Saudis, but we all live side by side and get along," he said.

16. (C) Ayoub Danka, a Muslim Pakistani businessman working for a trading company in Yiwu the past two years, said he and his family feel "very comfortable" in Yiwu. He finds no discrimination against foreigners and no restrictions on his activities or his practice of religion in Yiwu. Prior to moving to China, he lived in Malaysia for several years working in the trading business. Danka said he feels "more comfortable in Yiwu than in Malaysia", where he experienced discrimination against foreign Muslims. He extolled Yiwu's Muslim-friendly environment, including a Muslim school (where his child is taught by a Chinese Muslim teacher from Xinjiang), the number of Muslim restaurants in the city, and the mosque where he goes to pray every Friday. Danka added that Yiwu has almost "zero crime", and he attributed the city's "very tight security" to the local government's desire to keep the city safe for businesses.

Visa Problems

17. (C) Danka mentioned visa restrictions prior to and during the Olympics, however, stating that he had to renew his visa every month during that period. Though restrictions have loosened considerably in the post-Olympic period, he still has to renew his visa every six months. He thinks this regulation is aimed at certain nationalities, such as Pakistan, Afghanistan, and Iraq, whereas people of other nationalities are able to get visas valid for one year. In a separate conversation, Vice Mayor Li acknowledged tightened visa restrictions prior to and during the Olympics, when the local government had to check the visa status of every foreigner and "report any problems" to the Central Government. However, Li did not say whether certain nationalities were particularly targeted during this period.

Yiwu-Xinjiang Connection: Transit Point for Separatists?

18. (C) Zhang Jiadong, Associate Professor at Fudan University in Shanghai, thinks Yiwu is fundamentally a "place of business",

and Muslims have assimilated well into the local community. But he also thinks other activity is going on beneath the surface. Although there are no restrictions on Muslims in the city since the local government wants to attract foreign businesspeople, Chinese authorities are keeping a close eye on the Muslim community and collecting intelligence on people's movements, said Zhang.

¶9. (C) Of particular concern to the Chinese Government, Zhang continued, is the likelihood that Yiwu is serving as a "transit point" for Uighur members of the separatist East Turkestan Islamic Movement (ETIM) of Xinjiang. According to Zhang, some Uighurs travel to the Middle East where they train and build connections, establish new identities and names, and return to China through Yiwu on their way to Xinjiang. He said they adopt this route since they can easily blend in with other Middle Eastern businesspeople, and once in Yiwu, it would be easy for them to travel domestically. He speculated there are "underground mosques" in Yiwu facilitating such movement.

Comment

¶10. (C) Zhang Jiadong of Fudan describes himself as "one of very few" experts on terrorism in East China. It is not clear where he gets his information about Uighur separatists in Yiwu since he himself acknowledged that "terrorism is a very sensitive topic in China" and obtaining any information from Chinese public security officials is "very difficult." However, there does appear to be a growing connection between Xinjiang and Yiwu. One Yiwu interlocutor noted that 80 percent of Yiwu's Arabic interpreters are from Xinjiang. The Pakistani Ayoub Danko said "many Pakistanis" like to travel through Xinjiang on their way back to Pakistan, though he did not elaborate on the reasons for this. Mahmood of the Pakistani Consulate also said it is "very possible" that Yiwu is being used as a transit point for Uighur separatists.

CAMP